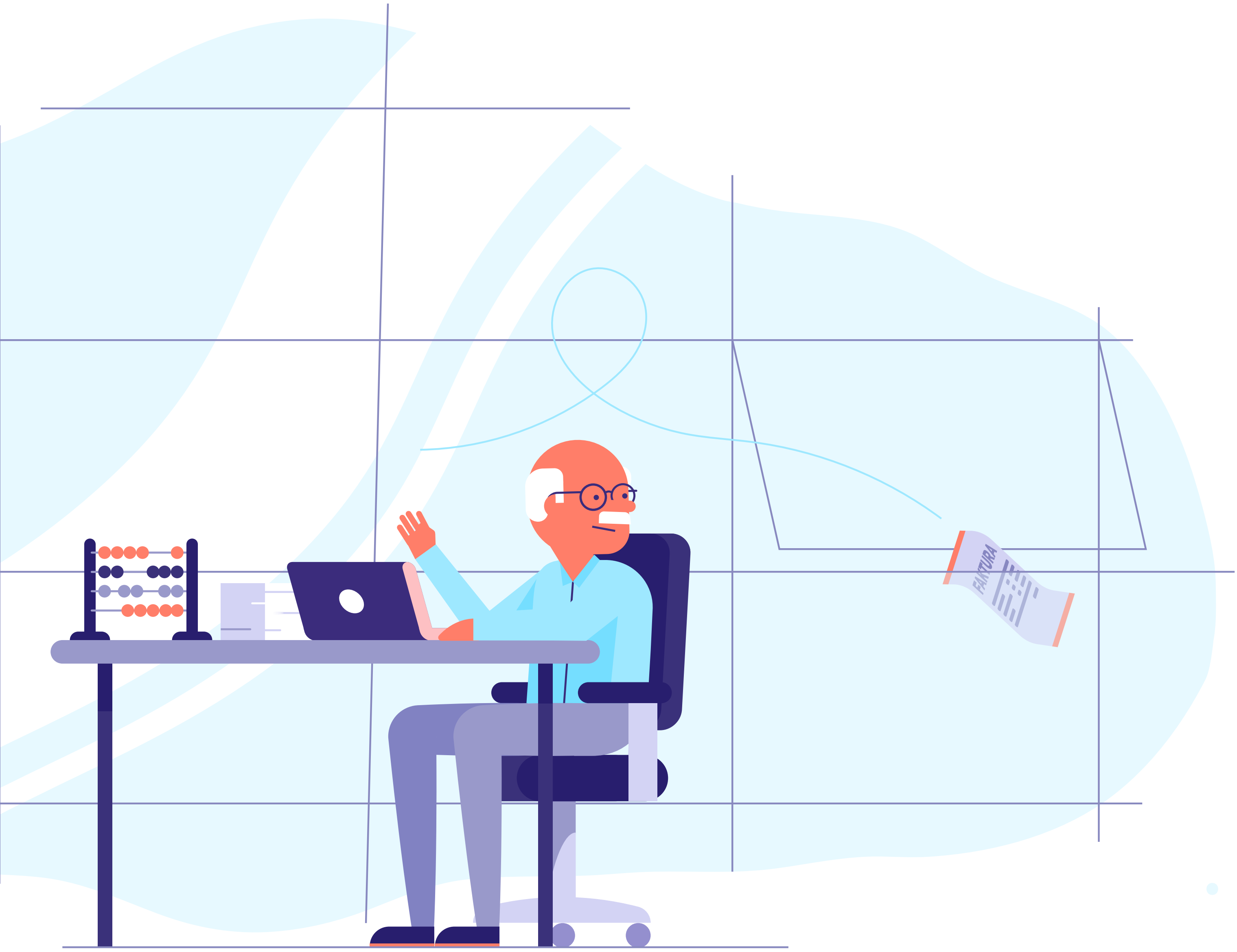

Annual Report
2018

aprilabank

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KEY FIGURES

PURCHASED VOLUME[1)]

138

MNOK

NET NEW CUSTOMERS

466

AVERAGE MARGIN[2)]

2.52%

DUE DAYS[3)]

23.6

TOTAL INCOME

2.8

MNOK

PROFIT AFTER TAX

-26.3

MNOK

1) Nominal value of invoices purchased in the period.
2) Gross interest and fee income % of purchased volume, not accounting for accruals.
3) Volume-weighted number of due days granted to end customers for invoices purchased in the reporting period.

REPORT OF THE BOARD OF DIRECTORS 2018

About Aprila Bank ASA

Aprila Bank ASA (formerly Langler AS) was granted a banking licence in October 2017 by The Financial Supervisory Authority of Norway, followed by a start-up permit from the same regulatory entity in March 2018. The bank begun purchasing invoices the month after as part of a pilot project for its first product Aprila Invoice Sales.

Aprila develops digital and automated financing solutions for small and medium-sized enterprises (SMEs) through partner channels.

SMEs are the backbone of Norwegian society and its primary source of innovation and job creation. Despite it being in society's interest that these businesses have effective access to financing, SMEs have historically been neglected by the major financial institutions. SMEs represent a sizeable market segment that can and should be better served, and Aprila strives to contribute in this regard.

The bank's first product, Aprila Invoice Sales, is integrated with cloud-based accounting systems. This represents the first fully digital solution for spot sale of invoices in the Norwegian market. Customer onboarding is done digitally within the accounting system, and only takes a few minutes to complete. Customers receive a price offer on invoices in real time as part of their regular invoicing workflow and can accept or decline the offer with one simple click. Funds tied to a sale are paid the following business day at the latest and the transaction is automatically posted in the customer´s accounting system.

Aprila's digital onboarding process and automated pricing results in relatively low transaction costs for customers. This enables the bank to offer financing to small companies that are not of interest to established providers because of the significant transaction costs that accompany traditional, paper-based business models or less digital service provision.

The bank's technology is API-based, scalable and developed in-house; providing it with substantial flexibility and control.

The bank is owned by private and institutional investors in Norway and abroad. No individual shareholder has an ownership stake exceeding 10% in Aprila.

The bank offices are located in Kirkegata 5 in Oslo.

Activities in 2018

2018 was the year in which the idea that financing should be integrated into cloud-based accounting systems became reality.

Important events in 2018:

16 February	Converted to ASA and selected the bank's Board of Directors
9 March	Received start-up permit from the Financial Supervisory Authority of Norway
21 March	Signed partnership agreement with Tripletex (a Visma-owned company)
11 April	Launched invoice sales pilot in Tripletex
4 July	Signed partnership agreement with Uni Micro
11 September	Aprila Invoice sale made available in Tripletex´ project module
19 October	Stock registered on the NOTC list (a marketplace for unlisted shares)

Economic development 2018

The annual accounts have been prepared in accordance with IFRS.

2018 was the bank´s first year of operation. Consequently, comparable historical figures are not available for certain notes to the financial statements. In such cases, only figures for 2018 are stated. The result and balance sheet from 2017 have been restated in line with the statement plan for banks.

By the end of the year, Aprila had 466 registered corporate customers and purchased invoices for NOK 138 million.

Total operating revenues in 2018 were NOK 2.8 million, of which net interest income totalled NOK 3.5 million and net commission income NOK -0.8 million. The average margin on purchased invoices was 2.52%.

Total operating expenses amounted to NOK 28 million in 2018, of which salaries and other personnel expenses accounted for the largest share at NOK 17.6 million.

The bank's profit after tax for the year was NOK -26.3 million.

Gross defaulted loans totalled NOK 0.9 million at the end of 2018, corresponding to 2.1 per cent of gross lending to customers. Impairments as of 31.12.2018 totalled NOK 1.1 million. Losses on loans for the 2018 financial year were NOK 1.1 million.

Total assets under management at the end of the year amounted to NOK 133.5 million. Net lending to customers in Norway totalled NOK 39.6 million. Total equity at year-end was NOK 127.5 million and the core CET1-ratio was 179.5 per cent. The liquidity portfolio totalled NOK 85 million; consisting of NOK 55 million of deposits in other banks and NOK 30 million in the LCR-fund DNB Global Treasury.

Future development

Aprila's strategy is to offer various forms of working-capital financing to SMEs digitally through partner systems; as seamlessly and automated as possible.

In the first quarter of 2019, the bank has continued its efforts to automate business processes, so as to be able to scale successfully. A new version of the technology platform has been developed, and includes core functionality, credit processes, anti-money laundering and monitoring, customer service, reporting and multiple data source integrations for more robust and streamlined processes.

Aprila is also building a new data warehouse that will enable advanced analytics and machine learning for prediction of outcomes, risk-based pricing, fraud detection and reporting. Such data-driven capabilities are expected to be a source of competitive advantage for the bank going forward.

Aprila aims to expand distribution by launching its current product, Invoice Sales, in additional accounting systems in the coming months. Over the longer term, the strategy is to broaden the product offering, integrate with multiple distribution channels and possibly entering new geographies.

Launches in new partner systems are well underway, with integrations into Xledger and UniMicro´s accounting system UniEconomy expected to be completed during the first half of 2019.

The bank will begin taking deposits from the private individuals in 2019. The deposit module will likely be made available on the bank's website during the first half of the year. The bank is a member of the Norwegian Banks' Guarantee Fund.

Aprila is in talks with a number of possible integration partners and assumes that more integrations will be completed in 2019. The bank is also in dialogue with potential partners outside Norway, which may lead to launches in the somewhat longer term.

Future product development will follow from distribution agreements entered into by the bank, with an emphasis on products that are a good fit with the channels in which the bank is present.

Aprila will strive to continue to be at the forefront in developing new digital products and channels for financing SMEs.

Working environment, gender equality and discrimination

Aprila values diversity and equal employment opportunities and will not differentiate between gender, ethnicity or conviction when recruiting, through pay or otherwise. The number of employees at the end of the year was 16, of which 13 were men and 3 were women. The Board of Aprila Bank consist of 5 members, 2 men and 3 women.

The board has the impression that the working environment is good and that management is concerned with facilitating well-being in the workplace. Total absence due to illness was 0.85 per cent in 2018. There have been no work-related injuries or accidents in 2018.

Report on social responsibility

As a bank, we depend on the trust of the outside world and having a good reputation among customers, partners, authorities and the market in general. Workplace behaviour and culture are also important for employee well-being and thereby the bank's ability to attract and retain its most important resource. Social responsibility and ethics are important elements within Aprila Bank's culture and are reflected in employee values and attitudes.

The bank's qualitative goals are:
"By succeeding, we will bring benefits to people (jobs and quality of life), businesses (the ability to grow and realise ambitions) and society (economic growth)."

The bank's board has established guidelines on ethics and social responsibility at Aprila Bank ASA. The guidelines describe the bank's main principles regarding ethics and social responsibility, and include the principle that the bank will contribute to promoting lasting, inclusive and sustainable economic growth, and employment and decent work.

The bank's operations are not considered to pollute the external environment.

Cash flow

Cash flow from operating activities in 2018 was NOK -91.6 million. Cash flow from investment was NOK -5.1 million. Cash flow of NOK 145 million from financing activities is related to the completed share issue.

Risk profile

Continuous risk management, control and follow-up is an integrated area in the bank's business and organisation, ensuring that the overall risk profile is in line with the bank's strategy and its capacity and appetite for risk. The board has overall responsibility for the bank's risk management and internal control, and for ensuring that the bank has adequate capital and liquidity based on the risk and extent of the bank's business.

The main risk exposures facing the bank are:

Credit risk

Credit risk is the possibility of a loss resulting from counterparties not fulfilling payment obligations at the agreed time and in accordance with written agreements, and of any pledged collateral failing to cover outstanding claims.

Aprila Bank is exposed to credit risk through its financing of corporate customers, as well as through its placement of surplus liquidity in securities and bank deposits. The bank has a moderate tolerance for credit risk related to financing activities. The risk level during the year has been within the risk tolerance and limits set by the board.

Operational risk

Operational risk is the risk of losses due to inadequacies or failings in internal processes and systems, human error or external incidents.

The Board has a low tolerance for operational risk and a very low tolerance for compliance risk. Operational risk arises as a result of the bank's daily operations and thus affects all of its business areas. The bank has established guidelines and contingency plans in order to reduce operational risk. The board considers the level of risk to be acceptable.

Liquidity risk

Liquidity risk is the risk that the bank will not be able to meet its obligations and/or finance its assets without the cost of obtaining funds increasing considerably.

The bank has a low tolerance for liquidity and financing risk and will have an adequate liquidity buffer in place at all times.

Aprila raised capital in connection with the start-up of the bank in 2018. This capital finances the growth of the company, and for this reason the bank had excess liquidity in 2018. The liquidity risk in the bank was considered low throughout 2018.

Market risk

Market risk is defined as the risk of losses associated with the bank's holdings of financial instruments as a result of fluctuations in equity prices, interest rates, credit spreads and foreign exchange rates.

The bank's objective is to maintain a low market risk. Its investments consist of deposits with other banks as well as investments in bond funds that satisfy requirements for LCR Level 1A. In 2018, Aprila Bank's exposure to currency risk was limited.

Allocation of net income

The board proposes that this years' loss transfers to other equity. The allocation reduces other equity by NOK 26.3 million.

Shareholder matters

The bank's share was listed on NOTC on 19 October 2018 with the ticker APRILA.

The bank had 193 shareholders at the end of the year. Share capital was NOK 36,220,084, divided into 36,220,084 shares with a nominal value of NOK 1.00.

Employees of Aprila Bank own 6,568,157 shares, corresponding to 18.13% of the shares in the company, directly or through limited companies where they have a controlling influence.

Other information

The bank has received support from the Skattefunn tax deduction scheme for several of its development activities.

The board confirms that the annual accounts have been prepared under the assumption of going concern. As far as the board is aware, no significant events have occurred since year-end that should have material impact on the annual accounts.

Oslo, 26 March 2019
Board of directors of Aprila Bank ASA

Arild Spandow *Chair of the board*	Remi Christoffer Dramstad *Board member*	Ann-Beth Freuchen *Board member*
Bente Hovland *Board member*	Ingrid Tjønneland *Board member*	Per Christian Goller *Managing Director*

STATEMENT OF INCOME

Amounts in NOK 1 000	Note	**2018**	2017
Interest income	10	3,668	20
Interest expense	10	158	0
Net interest income		**3,510**	**20**
Income commissions and fees	10	133	0
Expenses commissions and fees	10	982	0
Net commissions and fees		**-848**	**0**
Net gains / losses (-) on certificates, bonds and currency	10	112	0
Other income	10	6	0
Total income		**2,779**	**20**
Salary and other personnel expenses	11	17,604	5,862
General administrative expenses	11,12	9,338	4,029
Total salary and administrative expenses		**26,942**	**9,891**
Ordinary depreciation	5,6	1,085	14
Total operating expenses excl. losses on loans		**28,027**	**9,905**
Losses on loans	2	1,052	0
Pre-tax operating profit		**-26,299**	**-9,885**
Tax expenses	13	0	4
Profit after tax		**-26,299**	**-9,889**
Total comprehensive income for the period		**-26,299**	**-9,889**
Earnings per share (NOK)		-0.73	-1.11
Diluted earnings per share (NOK)		-0.61	-0.64
Profit/loss after tax as a percentage of total assets		-19.7%	-93.4%

BALANCE SHEET

Amounts in NOK 1 000	Note	**31.12.2018**	31.12.2017
Loans and deposits with credit institutions	3,4	54,639	6,255
Net loans to customers	2,4	39,619	0
Certificates and bonds	4	30,112	0
Other intangible assets	5	5,838	2,813
Deferred tax assets	13	0	0
Fixed assets	6	1,064	106
Other receivables	7	2,226	1,409
Total assets		**133,500**	**10,583**
Deposits from and debt to customers		0	0
Other debt	7	5,999	1,840
Total liabilities		**5,999**	**1,840**
Share capital	8,9	36,220	8,910
Share premium	8	127,036	9,735
Other paid-in equity	8	446	0
Retained earnings	8	-36,201	-9,901
Total equity		**127,501**	**8,744**
Total equity and liabilities		**133,500**	**10,583**

Oslo, 26 March 2019
Board of directors of Aprila Bank ASA

Arild Spandow
Chair of the board

Remi Christoffer Dramstad
Board member

Ann-Beth Freuchen
Board member

Bente Hovland
Board member

Ingrid Tjønneland
Board member

Per Christian Goller
Managing Director

STATEMENT OF CASH FLOW

Amounts in NOK 1 000	Note	**31.12.2018**	31.12.2017
Pre-tax operating profit		-26,299	-9,885
Taxes		0	0
Ordinary depreciation		1,085	14
Change in loans	2	-39,619	0
Change in deposits from customers		0	0
Change in securities	4	-30,112	0
Change in accruals		3,342	430
Net cash flow from operating activities		**-91,603**	**-9,440**
Net investments in fixed assets		-1,225	-120
Net investments in intangible assets		-3,844	-2,813
Net cash flow from investing activities		**-5,069**	**-2,933**
Paid-in equity	9	145,057	16,645
Other new financing		0	0
Net cash flow from financing activities		**145,057**	**16,645**
Net cash flow for the period		48,384	4,272
Cash and cash equivalents at the start of the period	3	6,255	1,983
Cash and cash equivalents at the end of the period	3	**54,639**	**6,255**

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK 1 000	Share capital	Share premium	Other paid-in equity	Other equity	Total equity
Total equity at 01.01.2017	**2,000**	**0**	**-6**	**-7**	**1,987**
Total comprehensive income for the period				-9,889	-9,889
Share capital increase	6,910	9,735			16,645
Other changes			6	-6	0
Equity at 31.12.2017	**8,910**	**9,735**	**0**	**-9,901**	**8,744**
Total comprehensive income for the period				-26,299	-26,299
Options			446		446
Share capital increase	27,310	122,727			150,037
Issue costs		-5,427			-5,427
Equity at 31.12.2018	**36,220**	**127,036**	**446**	**-36,201**	**127,501**

NOTER

Note 1 Accounting principles

Company information

Aprila Bank ASA is a Norwegian commercial bank that was granted a permit to commence banking operations by the Financial Supervisory Authority of Norway on 8 March 2018. The company's registered office is at Kirkegata 5 in Oslo.

Accounting principles

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) approved by the European Union and applied in Norway pursuant to the Regulation on IFRS and the Accounting Act, for fiscal years starting 1 January 2018 or later. The financial statements have been prepared under the assumption of going concern.

The bank implemented IFRS as from 1 January 2018. The transition from NGAAP to IFRS had no effect on previously prepared accounting figures because the bank had limited activity before the start of banking activities in 2018.

IFRS standards and interpretations that were adopted but did not come into force in 2018

New and revised accounting standards and interpretations issued by the IASB may impact the company's future reporting. In the following section, the changes that may be expected to impact the bank's future reporting will be discussed to a considerable extent.

IFRS 16 Leases

Implementation of IFRS 16 Lease Agreements, with effect as from 1 January 2019, will primarily affect the lessee's accounting and will cause substantial lease agreements for the company to be posted in the balance sheet. The standard removes the current distinction between operational and financial leases and requires the recognition of a right of use asset (right to use the leased asset) and a financial obligation to pay the lease for significant lease contracts.

IFRS 16 includes the option not to recognise the right of use and the accompanying lease obligation for a lease agreement if the lease is short-term (less than 12 months) or the lease of the asset has a low value. The bank will take advantage of this exemption.

The company has chosen to apply IFRS 16 modified retrospectively, and comparable figures will not be prepared. The asset and obligation are thus set equal as at 1 January 2019. The company only has fixed lease obligations. The present value of the lease obligation is calculated by discounting the remaining lease payments by the bank's marginal loan rate. Options to extend the lease period are included if they can reasonably be expected to be used. The present value of the option is then recognised in the lease obligation and the right of use.

The profit and loss account will also be affected, because operating expenses will be replaced by interest on the lease obligation and depreciation on the right of use. The total cost will be higher in the first years of a lease (the interest element is then larger) and lower in later years. Interest costs are calculated using the discounted rate on the lease obligation.

Based on the lease agreements entered into as of 31 December 2018, the implementation of IFRS 16 will provide a "right to use" asset and a lease obligation of NOK 2 million that are recognised in the balance sheet as from 1 January 2019. The net effect on earnings for 2019 will be in the order of NOK 63,000 in the accounts.

Financial instruments

In accordance with IFRS 9 Financial Instruments, financial instruments are classified within the scope of IFRS 9 in the following categories: fair value through profit and loss, amortised cost and fair value through other comprehensive income.

For the bank, financial assets and liabilities primarily include: deposits with credit institutions, loans to customers, certificates and bonds, other receivables and other liabilities.

Financial assets and liabilities are recognised in the balance sheet on the date the bank becomes a party to the contractual provisions. For loans to customers, the loan is recognised from the time it is paid to the customer. Financial assets are derecognised when the bank's rights to receive cash flows from the asset cease. Financial obligations are derecognised from the date the rights to the contractual terms are met, expire or are cancelled.

Financial assets are classified depending on the characteristics of the financial asset's contractual cash flows and the bank's business model for the financial assets. The bank has financial assets within the following categories:

At fair value through profit and loss: Certificates and bonds.

Amortised cost: Loans to customers, Loans to and receivables from credit institutions.

Below are the principles of accounting for assets that are in the categories "At fair value through profit and loss" and "Amortised cost".

At fair value through profit and loss
The bank has certificates and bonds for the placement of liquidity. These securities are classified as held for trading because they are acquired with the purpose of short-term placement.

For the initial recognition of assets in this category, the asset is measured at fair value. In subsequent periods it is measured at fair value, and any value changes are included in the accounting line net value changes for securities and profit/loss on currency.

See Note 4 for placement in the fair value hierarchy.

Amortised cost
Loans to and receivables from credit institutions are measured at amortised cost.

Loans to customers consist of purchased invoices. These invoices follow relatively standard terms. The loans will differ to a limited extent from that which is defined as payment of interest and principal on given dates in IFRS 9. These lending conditions are therefore consistent with measurement and classification at amortised cost under IFRS 9. The loan's principal, fees and any directly attributable charges are included in amortised cost. The bank uses an effective interest method for loans to customers.

Interest income from loans to customers and loans to credit institutions is included in the accounting line interest income and similar revenues.

Loan loss allowances
According to IFRS 9, loan loss allowances should be recognised based on the expected credit loss (ECL). The general model for loan loss allowances on financial assets in IFRS 9 applies to financial assets that are measured at amortised cost or at fair value with changes in value through other comprehensive income (OCI), and that did not have any losses incurred on initial recognition.

The measurement of the provision for expected losses in the general model depends on whether the credit risk has increased significantly since the initial recognition. At initial recognition and when the credit risk has not increased significantly after initial recognition, provisions must be made for 12 months' expected losses. This is referred to as Stage 1 of the loss model. 12 months' expected loss is the loss that is expected to occur over the life of the instrument, but can be linked to events that occur over the next 12 months. If the credit risk has increased substantially after initial recognition, provision must be made for the expected loss over the entire lifetime. This is referred to as Stage 2 and 3 of the impairment model.

Expected credit loss is calculated based on the present value of all cash flows over the remaining life expectancy, i.e. the difference between the contractual cash flows under the contract and the cash flow expected by the bank, discounted at the effective interest rate for the instrument.

Loans that have not had a significantly increased credit risk since initial recognition are placed in Stage 1 of the model. The transition to Stage 2 is made when the bank receives information that indicates that there has been a significant increase in credit risk. The bank has defined this as arrears between 30 and 90 days or if the counterparty has migrated down one or two risk classes respectively, depending on the original risk class. In the case of arrears of over 90 days, the loan is defined as defaulted and placed in Stage 3.

Impairment model
Estimated losses on loans shall be calculated based on the company's best estimate on the balance sheet date. The bank calculates losses on loans monthly. The loss estimates are calculated on the basis of 12 months and lifelong probability of default (PD), loss given default (LGD) and exposure at default (EAD).

PD is based on an external credit score and represents the likelihood of default over the next 12 months. LGD takes into account any insurance policies on purchased invoices. In its loss model, the bank has taken into account future-oriented information by creating a "base case", and then a "worst case" based on a parallel increase in losses for a financial crisis. The scenarios are weighted to provide estimated losses on loans at the end of the period.

The bank establishes losses on inward payment from credit insurance, bankruptcy of a counterparty or a final and enforceable judgment.

In the profit and loss account, the accounting line consists of losses on loans from established losses and changes in impairments on loans to customers.

Presentation currency
The accounts are presented in Norwegian kroner (NOK) which is also the bank's functional currency. Unless directly stated otherwise in the note information, amounts are stated in thousands of Norwegian kroner.

Foreign currency transactions and holdings
Balance sheet entries in foreign currencies are translated into Norwegian kroner at the balance sheet date exchange rates. Foreign currency transactions are translated into Norwegian kroner using the exchange rates prevailing at the dates of the transactions. Gains and losses resulting from the settlement of transactions or the translation of holdings of monetary entries at the balance sheet date are recognised in the profit and loss.

Other intangible assets
Intangible assets are recognised in the balance sheet to the extent that it is probable that financial benefits will accrue to the bank in the future and these expenses can be measured reliably. Intangible assets are recognised in the balance sheet at acquisition cost less accumulated amortisation and any impairments.

Fixed assets
Ordinary fixed assets are listed in the accounts at historical acquisition cost less accumulated amortisation and impairment losses. The acquisition cost comprises the asset's purchase price and other directly attributable costs. Ordinary amortisation is based on acquisition cost less expected residual value, and is distributed on a linear basis beyond the expected useful lifetime of the asset.

Tax
Deferred tax liabilities and deferred tax assets
Deferred tax liabilities/deferred tax assets are recognised in line with IAS 12. Deferred tax liabilities/deferred tax assets are calculated at a nominal rate on the basis of the temporary differences that exist between the accounting and taxable values existing at the end of the accounting period. Tax-increasing and tax-reducing temporary differences that reverse or could be reversed in the same period are offset and recognised net in the balance sheet.

Tax expense
In the profit and loss account both deferred tax changes and the period's tax payable are included in the tax expense item. The tax expense also includes those cases where, in previous periods, a tax payable has been set aside that deviates from the final tax settlement.

Tax payable
Tax payable for the current and prior periods, to the extent that it is not paid, is recognised as a liability. Tax payable is calculated based on this year's taxable income. The current tax rate that is used as the basis for the calculation of tax payable is 25 per cent.

Pension
The bank is subject to the Compulsory Occupational Pensions Act and has a scheme that satisfies the statutory requirements. The bank has a defined contribution scheme that applies to all employees. Contributions to the scheme are paid on an ongoing basis, and for this reason no provision is made for

future pension liabilities at the end of the period.

Debt and other liabilities

Liabilities including trade creditors and other liabilities are recognised at amortised cost.

Other receivables

Other receivables are recognised in the balance sheet at amortised cost.

Estimates

The estimation of valuation items and discretionary valuations is based on the bank's historical experience and likely expectations of future events. The bank deems write-downs for losses as described to be a crucial valuation item for which discretionary valuations act as a basis.

Statement of cash flow

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of bank deposits.

Share-based remuneration

The value of the options granted is determined based on the full market value calculated at the time of the award using the observed market price at the time of award and a modified version of Black and Scholes' option pricing model. The fixed strike price is NOK 1.00 for all outstanding options issued to employees. In addition to the fixed strike price of NOK 1.00, there is also a variable strike price corresponding to the social security tax (including financial activity tax) at the time of exercise. The value of granted and vested options is recognised as other paid-in equity.

Note 2 Loans to customers

Loans to customers

Amounts in NOK 1 000	**31.12.2018**
Gross loans	40,671
Impairment of loans	1,052
Net loans to customers	**39,619**

Defaults and losses

Amounts in NOK 1 000	**31.12.2018**
Gross defaulted loans	858
Write-downs stage 1	122
Write-downs stage 2	162
Write-downs stage 3	768
Net defaulted loans	**-194**

Loan loss provisions in the period

Amounts in NOK 1 000	**2018**
Write-downs, stage 1	122
Write-downs, stage 2	162
Write-downs, stage 3	768
Total write-downs for the period	**1,052**

Ageing of loans

Amounts in NOK 1 000	**31.12.2018**
Loan exposures not fallen due	23,317
Overdue exposures up to 30 days	11,845
Overdue exposures 31–60 days	4,701
Overdue exposures 61–90 days	643
Overdue exposures 91 days+	166
Total	**40,671**

Ageing of loans

Per cent	**31.12.2018**
Loan exposures not fallen due	57%
Overdue exposures up to 30 days	29%
Overdue exposures 31–60 days	12%
Overdue exposures 61–90 days	2%
Overdue exposures 91 days+	0%
Total	**100%**

Gross loans by risk class

Per cent	31.12.2018
Very low	12%
Low	67%
Moderate	15%
High	4%
Very high	0%
Defaulted	2%
Total	**100%**

Geographical distribution of total lending

Amounts in NOK 1 000	31.12.2018
Akershus	4,265
Aust-Agder	214
Buskerud	693
Finnmark	41
Hedmark	592
Hordaland	1,105
Møre og Romsdal	1,293
Nordland	1,707
Oppland	1,399
Oslo	13,791
Østfold	1,737
Rogaland	4,161
Sogn og Fjordane	114
Telemark	931
Troms	2,250
Trøndelag	2,845
Vest-Agder	1,215
Vestfold	2,317
Total	**40,671**

Changes in loan loss allowance

Gross loans to customers

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	**Total**
Gross lending at 31 December 2017	-	-	-	-
Transfers from Stage 1 to Stage 2	-	-	-	-
Transfers from Stage 1 to Stage 3	-	-	-	-
Transfers from Stage 2 to Stage 3	-	-	-	-
Transfers from Stage 3 to Stage 2	-	-	-	-
Transfers from Stage 3 to Stage 1	-	-	-	-
Transfers from Stage 2 to Stage 1	-	-	-	-
New financial assets issued or purchased	35,134	4,679	858	40,671
Financial assets deducted during the period	-	-	-	-
Gross lending at 31 December 2018	**35,134**	**4,679**	**858**	**40,671**

Loan loss allowance

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	**Total**
Loss provisions at 31 December 2017	-	-	-	-
Transfers from Stage 1 to Stage 2	-	-	-	-
Transfers from Stage 1 to Stage 3	-	-	-	-
Transfers from Stage 2 to Stage 3	-	-	-	-
Transfers from Stage 3 to Stage 2	-	-	-	-
Transfers from Stage 3 to Stage 1	-	-	-	-
Transfers from Stage 2 to Stage 1	-	-	-	-
New financial assets issued or purchased	122	162	768	1,052
Financial assets deducted during the period	-	-	-	-
Loss provisions at 31 December 2018	**122**	**162**	**768**	**1,052**

Note 3 Loans and deposits with credit institutions

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Bank deposits	54,639	6,255
of which restricted funds constitute:		
Tax deduction funds	782	459
Deposit, rented premises	480	
Total restricted funds	**1,263**	**459**

Note 4 Financial instruments

Financial instruments at fair value

Financial instruments at fair value are placed in the different levels below based on the quality of the individual type of instrument.

Level 1

Financial instruments in level 1 are determined based on quoted prices in active markets for identical financial instruments available on the balance sheet date.

Level 2

Financial instruments in level 2 are determined based on inputs other than quoted prices, but where prices are observable either directly or indirectly. These include quoted prices in markets that are not active.

Level 3

When valuation cannot be determined in level 1 or 2, valuation methods based on non-observable market data are used.

Certificates and bonds – Level 1

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Certificates and bonds	30,000	0
Change in fair value	112	0
Total financial assets at fair value	**30,112**	**0**

Financial instruments at amortised cost

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Loans and deposits with credit institutions	54,639	6,255
Net loans to customers	39,619	0
Total financial assets at amortised cost	**94,258**	**6,255**

Note 5 Intangible assets

Intangible assets largely consist of acquired and proprietary IT systems and rights.

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Acquisition cost 01.01.	2,813	
Additions during the year	3,844	2,813
Disposals during the year	0	0
Acquisition cost 31.12.	**6,657**	**2,813**
Accumulated depreciation 01.01.	0	0
Depreciation for the year	-818	0
Accumulated depreciation 31.12.	**-818**	**0**
Book value 31.12.	**5,838**	**2,813**
Economic life	5–7 years	7 years
Depreciation schedule	Linear	Linear

Note 6 Fixed assets

The bank's fixed assets consist of fixtures and office equipment. The bank has not pledged or accepted other access restrictions over its operating assets.

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Acquisition cost 01.01.	120	
Additions during the year	1,225	120
Disposals during the year		0
Acquisition cost 31.12.	**1,345**	**120**
Accumulated depreciation 01.01.	-14	0
Depreciation for the year	-267	-14
Accumulated depreciation 31.12.	**-281**	**-14**
Book value 31.12.	**1,064**	**106**
Economic life	3–5 years	3 years
Depreciation schedule	Linear	Linear

Note 7 Specification of debt and other receivables

Receivables

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Skattefunn tax deduction claim	2,007	1,317
Other receivables	220	92
Total receivables	**2,226**	**1,409**

Other liabilities

Amounts in NOK 1 000	**31.12.2018**	31.12.2017
Payables to suppliers	1,346	324
Payables to customers and partners	531	0
Social security tax payable	859	355
Other liabilities	3,263	1,161
Total other liabilities	**5,999**	**1,840**

Note 8 Capital adequacy

Amounts in NOK 1 000	**31.12.2018**
Share capital	36,220
Share premium	127,036
Other equity	-35,755
Total equity	**127,501**
Other intangible assets	-5,838
Deferred tax assets	0
Common equity tier 1 (CET 1)	**121,663**
Tier 1 capital	**121,663**
Total capital	**121,663**
Risk-weighted assets	
Loans and deposits with credit institutions	10,928
Loans to customers	37,500
Certificates and bonds	0
Other assets	3,291
Credit risk	**51,719**
Operational risk	16,067
Risk-weighted assets	**67,785**
Common equity tier 1 ratio (%)	179.5%
Tier 1 ratio (%)	179.5%
Total capital ratio (%)	179.5%
LCR	217%

Note 9 Stocks, warrants and options

Share

The face value of shares is NOK 1.00. The share class and voting rights are the same for all shares.

20 largest shareholders registered at the Norwegian Central Securities Depository (VPS) as of 31 December 2018

	Shareholder	Shares	Per cent
1	AMESTO GROUP AS	3,618,182	10.0%
2	ALLIANCE VENTURE SPRING AS	2,824,406	7.8%
3	PRIMERA AS	1,600,000	4.4%
4	MP PENSJON PK	1,596,996	4.4%
5	STRØMSTANGEN AS	1,595,400	4.4%
6	NORUS AS	1,010,000	2.8%
7	REDIVIVUS AS	950,000	2.6%
8	SIX SIS AG	877,470	2.4%
9	TOLUMA INVEST AS	877,470	2.4%
10	COSIMO AS	801,000	2.2%
11	SIRKELBUE AS	800,000	2.2%
12	ØSD FINANS AS	800,000	2.2%
13	UNIVERSAL PRESENTKORT AS	797,699	2.2%
14	SES AS	797,699	2.2%
15	DISRUPTOR AS	700,000	1.9%
16	SANDSOLO HOLDING AS	688,565	1.9%
17	AREPO AS	658,102	1.8%
18	NORDIC PRIVATE EQUITY AS	657,000	1.8%
19	SVINDAL AKSEL LUND	650,000	1.8%
20	SPORTSMAGASINET AS	634,709	1.8%
	Others	13,285,386	36.7%
	Total	**36,220,084**	**100%**

Warrants

In 2017, 6,662,500 warrants were issued. The warrants consist of 3,750,000 warrants and 3,350,000 shares with warrants attached with the right to subscribe to up to 2,912,500 shares.

	EGM	Registered in the company register	ISIN	Number of rights	Number of shares per right	Number of shares for subscription	Strike price	Duration from EGM date (year)
Warrants	18.04.2017	08.05.2017	NO0010819121	3,000,000	1.25	3,750,000	5.50	5
Shares with warrants attached	18.04.2017	08.05.2017	NO0010819139	1,600,000	1.00	1,600,000	5.50	5
Shares with warrants attached	06.07.2017	03.08.2017	NO0010819147	1,500,000	0.75	1,125,000	5.50	5
Shares with warrants attached	10.11.2017	05.12.2017	NO0010819154	250,000	0.75	187,500	5.50	5
Total number of warrants						**6,662,500**		

Options

Since the annual general meeting on 27 April 2018, the bank has had an option scheme consisting of three different programs: (i) the fixed pay programme (ii) the bonus option programme and (iii) the option programme for a separate advisory board. As of 31 December 2018, options are only awarded in relation to the fixed-pay programme.

Outstanding options

	2018	2017
IB outstanding options	0	0
+ allocated options	95,544	0
- exercised options	-37,357	0
UB outstanding options	**58,187**	**0**
of which earned	48,043	0

Utløpsdato opsjoner

	Number of options
2023	58,187
Total	**58,187**

Shares and warrants owned by senior executives and board members[1)]

Name	Role	Shares	Subscription rights
Arild Spandow	Chairman	3,618,182	1,875,000
Per Christian Goller	Chief Executive Officer	1,600,000	1,750,000
Øystein Dannevig	Chief Analytics Officer	800,000	
Israr Khan	Chief Digital Officer	700,000	600,000
Heiki Strengelsrud	Chief Customer Officer	610,000	500,000
Lene Gridseth	Chief Operating Officer	573,200	375,000
Kjetil S. Barli	Chief Financial Officer	500,000	375,000
Katrine Olsen	Chief Risk Officer	500,000	375,000
Christian Lund	Chief Credit Officer	250,000	187,500
Ingrid Tjønneland	Board member	124,640	
Remi Dramstad	Board member	114,640	
Ann-Beth Freuchen	Board member	100,000	
Bente Hovland	Board member	50,000	
Total		**9,540,662**	**6,037,500**
Management		5,533,200	4,162,500
Board members		4,007,462	1,875,000

1) Either directly or indirectly.

Note 10 Specification of interest and commissions

Interest income

Amounts in NOK 1 000	**2018**	2017
Interest income from loans to customers	3,062	0
Interest income from certificates and bonds	0	0
Interest income from loans and deposits with credit institutions	606	20
Total interest income	**3,668**	**20**

Interest expenses

Amounts in NOK 1 000	**2018**	2017
Interest expenses on deposits from customers	0	0
Interest expenses on debt securities and suboardinated loans	0	0
Fee to the Norwegian Banks' Guarantee Fund	155	0
Other interest expenses	3	0
Total interest expenses	**158**	**0**

Fees and commissions

Amounts in NOK 1 000	**2018**	2017
Fee and commission income	133	0
Fee and commission expenses	982	0
Net fees and commission	**-848**	**0**

Net value changes on securities and gains/losses on currency

Amounts in NOK 1 000	**2018**	2017
Net value changes in securities funds	112	0
Net gain / (loss) on currency	0	0
Net value changes for securities and gains/losses on currency	**112**	**0**

Note 11 Remuneration and similar

Salary and related benefits

Amounts in NOK 1 000	**2018**	2017
Salaries	14,926	6,553
Social security tax	2,716	980
Pension premiums	871	347
Other benefits	416	83
Adjustments due to capitalisation and Skattefunn	-1,325	-2,102
Total	**17,604**	**5,862**

No security was provided for any of the bank's employees or related parties in 2018.

All permanent employees, a total of 16 people as at 31.12.2018, are covered by the bank's pension scheme. The scheme is a defined-contribution scheme and is arranged by Storebrand. The bank is obliged to have an occupational pension scheme in accordance with the Compulsory Occupational Pension Scheme Act (OTP). The scheme meets the requirements of the act.

Remuneration for governing bodies

No remuneration for board members was paid or allocated in 2018.

Auditor fees

The following auditor's fees are expensed (incl. VAT)

Amounts in NOK 1 000	**2018**	2017
Statutory audit	0	0
Other certification services and assistance	28	0
Total	**28**	**0**

There is an agreed audit fee of NOK 150,000 for 2018. This amount is being expensed in 2019.

The board's statement on the determination of wages and other remuneration for senior executives

The Board of Directors has prepared a statement on the determination of wages and other remuneration for the managing director and other senior executives in accordance with Sections 6-16a of the Public Limited Companies Act. The declaration has been submitted for the general meeting's advisory vote and approval in accordance with Sections 5-6 (3) of the Public Limited Companies Act.

The Board of Directors has followed these guidelines on determining salaries and other remuneration for senior executives for the financial year 2018:
Remuneration for senior executives shall be competitive, and suitable for attracting talented managers and motivating extra effort for the business and the bank's results.

The starting point for wage determination is the total level of basic salary and other benefits. This level must be competitive but should not set the pace in salary settlements. The basic salary should normally be the main element of the managers' salary. The basic salary is determined on the basis of the job description, level of responsibility, skills and seniority.

Performance-related remuneration

The company has a common performance-related remuneration scheme for all permanent employees with a job percentage of 40% or more. The scheme is intended to help the bank achieve overall goals and strategies but should not provide an incentive for risk-taking. The performance-related remuneration is linked to Aprila's results and other non-discretionary factors. The maximum performance-related remuneration is one and a half months' salary per year. The scheme is a general and non-discretionary policy that covers the entire institution and is determined by the board. This means that the scheme can be exempted from the Financial Undertakings Regulations (please see the Financial Supervisory Authority of Norway's circular 15/2014).

For 2018, NOK 578,000 was set aside under the company's general performance-related remuneration scheme.

Variable remuneration

For the first year of operations the board has decided to not include variable remuneration ("bonus") in the management compensation plan.

Salary and remuneration for senior executives

Amounts in NOK 1 000		Fixed salary		Other benefits			
Name	Role	Cash-based including holiday pay	Value of allocated options	Result-based remuneration	Other benefits	Pension	**Total**
Per Christian Goller	Chief Executive Officer	1,721	120	75	14	72	2,002
Kjetil S. Barli	Chief Financial Officer	1,317	30	60	16	72	1,495
Israr Khan	Chief Digital Officer	1,212	0	50	12	72	1,345
Heiki Strengelsrud	Chief Customer Officer	1,049	0	46	12	66	1,174
Christian Lund	Chief Credit Officer	1,018	27	49	11	66	1,172
Katrine Olsen	Chief Risk Officer	961	0	46	12	62	1,081
Lene Gridseth	Chief Operating Officer	799	0	35	14	46	895
Øystein Dannevig	Chief Analytics Officer	373	84	19	3	24	503
Total		**8,451**	**262**	**381**	**94**	**480**	**9,667**

Loans and guarantees for key personnel

No loans or guarantees have been issued to key personnel or their related parties.

Stock option plan

In 2018 the bank had a stock option plan consisting of three programmes: (i) the fixed salary option programme (ii) the bonus option programme and (iii) the option programme for a separate advisory board.

The company's management is covered by programmes (i) and (ii), which also apply to the company's other employees.

The number of options outstanding as at 31 December 2018 is stated in Note 9.

Fixed salary option programme

According to the fixed salary option programme, employees can receive up to 25% of their fixed salary in the form of options. The options are awarded on the basis of individual agreements with the individual employee and earned on a monthly basis at the same time as ordinary salary payments.

Bonus option programme

The bank has a performance-related remuneration scheme whereby the individual can earn a maximum remuneration of one and a half monthly salaries per year. According to the bonus option programme, the individual can choose to receive performance-related remuneration in the form of options, if applicable.

Valuation, strike price and duration
The options are valued at market value at the time of issue. When calculating the market value, a modified version of the Black & Scholes option price model is used.

The options' strike price consists of two components – one fixed and one variable. The fixed component corresponds to the nominal value of the shares (NOK 1.00 per share). The variable component corresponds to the social security tax (including financial activity tax) at the time of exercise.

The options have a term of five years from the date of issue and must be exercised in separate exercise windows (which are typically implemented for a period of 10 working days from the publication of the bank's quarterly accounts).

The option scheme applies from the Annual General Meeting 2018 to the Annual General Meeting 2019.

Note 12 General administrative expenses

Amounts in NOK 1 000	**2018**	2017
External services	3,632	3,179
IT operations	2,635	292
Rental of premises	961	168
Sales and marketing	769	262
Credit information	333	0
External audit and related services	28	0
Credit insurance	111	0
Other operating expenses	869	128
Total	**9,338**	**4,029**

Note 13 Tax

Calculation of tax payable

Amounts in NOK 1 000	**2018**	2017
Profit before tax	-26,299	-9,885
Permanent differences	-7,416	-1,317
Change in temporary differences	136	598
Taxable income, basis for tax payable	**-33,579**	**-10,603**
Tax rate	25%	25%
Tax payable on the profit for the year	**0**	**0**

Tax expense

Amounts in NOK 1.000	**2018**	2017
Income tax payable for the year		
Change in deferred tax	0	0
Total tax expense	0	4
Total tax expense	**0**	**4**

Tax payable is calculated as follows:

Amounts in NOK 1 000	**2018**	2017
Income tax	0	0
Total tax payable	**0**	**0**

Overview of temporary differences

Amounts in NOK 1 000	**2018**	2017
Tangible fixed assets/Intangible assets	-734	-598
Loss carried forward	-44,199	-10,620
Total differences	**-44,933**	**-11,218**
Differences not included in deferred tax/deferred tax assets	44,933	11,218
Basis for deferred tax+/deferred tax assets-	**0**	**0**
Tax rate	25%	25%
Total deferred tax assets booked	**0**	**0**

Reconciliation from nominal to actual tax rate

Amounts in NOK 1 000	**2018**	2017
25% tax on the profit before tax	-6,575	-2,471
25% tax on permanent differences	-1,854	-329
25% of non-capitalised deferred tax assets	8,429	2,800
Change in deferred tax	0	4
Tax expense in accordance with statement of income	**0**	**4**

The bank has assumed that in 2018 it received a refund of NOK 2 million through the SkatteFUNN scheme. Since the bank is not in a tax position, the item is included under other assets in the balance sheet.

Note 14 Risk management

General

Risk management is an integral part of the bank's corporate governance and is intended to help the bank achieve its strategic goals. Aprila Bank has a conscious attitude to the management, control and follow-up of the bank's overall risk profile in order to ensure that this is in line with the bank's strategy, risk capacity and appetite. The Board has overall responsibility for the bank's risk management and internal control, and to ensure that the bank's capital and liquidity are justifiable based on the risk and extent of the bank's business.

The bank's risk tolerance defines the level of risk the bank is willing to undertake to achieve its goals and is a function of the bank's capacity and appetite for risk. The bank's risk tolerance shall support the bank's strategy and be adapted to the bank's business and capitalisation strategy, financial plans and compensation schemes.

The board's overall risk tolerance is laid down in the bank's guidelines on risk management and internal control. The bank's risk profile must be moderate and the bank must not take any significant risk other than credit risk. The board has established various guidelines on the management and control of key risks. Each of the documents describes guidelines and limits regarding the individual type of risk. The board receives periodic reports from the administration on matters relating to the bank's financial position, as well as the development and status of the bank's risk exposure.

The most important risks to which the bank is exposed are discussed below. For further information on the bank's risk management, see the Pillar 3 report on the bank's website.

Credit risk

Credit risk is understood as the risk of losses as a result of a counterparty failing to meet its payment obligations at the agreed time and in accordance with written agreements, while at the same time established collateral does not cover outstanding claims.

The bank is primarily exposed to credit risk through the purchase of receivables aimed at the corporate market, but also through securities investments and deposits in other banks. Credit risk related to lending activities is the most significant risk in Aprila Bank, and is the core of the bank's business model. Aprila has a moderate tolerance for credit risk.

The risk associated with the financing business is managed by defining areas of responsibility and authorisations, exposure limits and requirements for creditworthiness in separate guidelines on managing and controlling credit risk. The guidelines are operationalised in the bank's credit manual and authorisation hierarchy.

Aprila manages the credit risk associated with liquidity management through guidelines on permitted instruments, maximum exposure based on the counterparty's rating, maximum total exposure to individual counterparties and permitted issuers. This is regulated in the bank's guidelines on management and control of market risk.

The risk level during the year has been within the Board's approved risk tolerance.

Operational risk

Operational risk is the risk of losses due to inadequate or failing internal processes or systems, human error or external incidents. Operational risk also includes compliance risk, behavioural risk, IT risk, key person risk and legal risk.

The Board has a low tolerance for operational risk and a very low tolerance for compliance risk.

Operational risk arises as a result of the bank's daily operations and thus affects all business areas in the bank. The bank manages operational risk through its own guidelines and contingency plans. The guidelines are not aimed at a particular business area, but include different categories of events that can affect multiple entities. In addition, separate guidelines and contingency plans have been established for the most significant operational risks. The bank's operations are largely based on the purchase of services from external suppliers. This gives the bank more cost-effective access to systems and services that it would not be practical to create itself. It also helps to reduce key person risk and the risk of operational interruption when the services are provided by suppliers with more resources and more expertise than the bank itself has. Aprila has established good processes to ensure that agreements are satisfactory, and has established separate guidelines on the outsourcing of business.

The risk level is measured and monitored through reporting of undesirable events, evaluation of risk level and internal control within the individual business area and independent controls. The administration reports to the board on the bank's operational risk in ordinary risk reporting, and more frequently in the case of extraordinary events.

Aprila Bank is in an establishment phase, involving constant change processes and ambitious plans. In addition to establishing itself in the market to ensure a sustainable lending volume, and developing efficient, robust processes and systems, a healthy risk management culture must be developed in the organisation. As long as the bank is in this phase, there is a higher operational risk. The risk level at the end of the year is within the board's approved risk tolerance.

Liquidity risk

Liquidity risk here means the risk that the bank will not be able to meet its obligations and/or finance its assets without significant additional costs arising as a result of the realisation of assets with impairment or more expensive financing.

The bank has a low tolerance for liquidity and financing risk and will maintain a satisfactory liquidity buffer to reduce exposure. The bank must have a portfolio of liquid assets to avoid payment problems in the short and long term, including stable long-term financing. The bank's surplus liquidity shall be placed conservatively in bank deposits and liquid securities and/or funds in accordance with guidelines laid down by the board.

The bank manages liquidity risk by defining areas of responsibility, overall principles and requirements and limits for liquidity management. This is described in the bank's guidelines on managing liquidity and financing risk.

The bank raised capital in connection with the start-up of the bank in 2018. This capital is for financing of the company's growth, and for this reason the bank had excess liquidity in 2018. The liquidity risk in the bank was considered low throughout 2018. The liquidity coverage ratio (LCR) is defined as the bank's liquid assets in relation to net liquidity outflow 30 days ahead given a stressed situation.

Market risk

Market risk is the risk of losses related to changes in market prices such as interest rates, share prices, exchange rates, property prices and credit spreads. Aprila Bank is primarily exposed to market risk through securities in the liquidity portfolio. Market risk is not a core area for the bank, and the bank must have a low risk profile. The bank should only be exposed to market risk as a result of the bank's deposit and lending activities and the bank's need for liquidity management.

Market risk is managed and monitored on the basis of guidelines adopted by the Board of Directors, where

conservative limits for exposure in interest-bearing instruments are stated, including rating requirements, limits for different types of securities, issuers etc.
Throughout 2018 the bank had a low market risk exposure. Surplus liquidity in Aprila is conservatively invested in the form of bank deposits and shares in bond funds that satisfy requirements for Level 1A assets in LCR. The bank's exposure to currency risk is limited.

Note 15 Liquidity risk

Liquidity risk is the risk that the bank will not be able to cover its financial obligations when they fall due. The tables below provide an overview of the remaining term of the bank's assets and liabilities.

Remaining term

31.12.2018

Amounts in NOK 1 000	Without expiry	Up to 1 month	From 1 month up to 3 months	From 3 months up to 1 year	1–5 years	Over 5 years	Total
Loans and deposits with credit institutions	54,639						54,639
Loans to customers		37,512	2,107				39,619
Certificates and bonds					30,112		30,112
Other assets without defined maturity	9,129						9,129
Total assets	**63,768**	**37,512**	**2,107**	**0**	**30,112**	**0**	**133,500**
Deposits from and debt to customers							0
Other liabilities	387	3,259	578	1,775			5,999
Total debt	**387**	**3,259**	**578**	**1,775**	**0**	**0**	**5,999**

31.12.2017

Amounts in NOK 1 000	Without expiry	Up to 1 month	From 1 month up to 3 months	From 3 months up to 1 year	1–5 years	Over 5 years	Total
Loans and deposits with credit institutions	6,255						6,255
Loans to customers							0
Certificates and bonds							0
Other assets without defined maturity	4,328						4,328
Total assets	**10,583**	**0**	**0**	**0**	**0**	**0**	**10,583**
Deposits from and debt to customers							0
Other liabilities		1,038		801			1,840
Total debt	**0**	**1,038**	**0**	**801**	**0**	**0**	**1,840**

Note 16 Interest rate risk

Fixed-rate period

Different fixed-rate periods for assets and liabilities entail an interest rate risk for the bank. Below is a summary of the remaining time until interest rate adjustment for assets and liabilities based on either (i) the next repricing date (floating interest rate) or (ii) the maturity date (fixed interest rate).

31.12.2018

Amounts in NOK 1 000	Without any term	<= 1 month	From 1 month up to 3 months	From 3 months up to 1 year	1-5 years	> 5 years	**Total**
Loans and deposits with credit institutions		54,639					54,639
Loans to customers	39,619						39,619
Certificates and bonds				30,112			30,112
Other assets without defined maturity	9,129						9,129
Total assets	**48,748**	**54,639**	**0**	**30,112**	**0**	**0**	**133,500**
Deposits from and debt to customers							0
Other liabilities	5,999						5,999
Total debt	**5,999**	**0**	**0**	**0**	**0**	**0**	**5,999**
Net assets	**42,749**	**54,639**	**0**	**30,112**	**0**	**0**	**127,501**

31.12.2017

Amounts in NOK 1 000	Without any term	<= 1 month	From 1 month up to 3 months	From 3 months up to 1 year	1-5 years	> 5 years	**Total**
Loans and deposits with credit institutions		6,255					6,255
Loans to customers							0
Certificates and bonds							0
Other assets without defined maturity	4,328						4,328
Total assets	**4,328**	**6,255**	**0**	**0**	**0**	**0**	**10,583**
Deposits from and debt to customers							0
Other liabilities	1,840						1,840
Total debt	**1,840**	**0**	**0**	**0**	**0**	**0**	**1,840**
Net assets	**2,488**	**6,255**	**0**	**0**	**0**	**0**	**8,744**

Note 17 Alternative performance measures

Alternative performance measures are often used by investors, financial analysts and others for decision-making purposes by contributing to a deeper insight into the operational and financial aspects of a company. Alternative performance targets can provide further information on the company's historical and current situation, as well as the company's prospects.

The bank has only been operational for nine months. Net income is currently limited, and hence the bank is not profitable. It is therefore the bank's assessment that alternative performance measures such as cost/income and return on equity do not add any additional value for investors, financial analysts or others. The bank will report alternative performance targets as soon as this is considered appropriate.

Note 18 Events after the balance sheet date

The board is not aware of events after the balance sheet date of material importance for the annual accounts.

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